MANAGEMENT'S STRATEGIC DELIVERY PLAN

2004/05 – 2006/07

Your Pension Experience

...we make it easy!

Service You Trust

Great Value

People Who Care

PENSION CORPORATION

Context

Accountability for the Corporation is shared between those who govern the corporation – the Pension Management Board – and those who manage the corporation. The Pension Management Board has previously developed and set overall strategic direction for the management of the Corporation, by establishing a three-year strategic plan with a governing vision, mission and set of governing values. The Chief Executive Officer and management team of the corporation are responsible for carrying out the strategic direction by developing a practical strategic service delivery plan to guide management and staff of the corporation. This, our first strategic delivery plan provides a common service vision and the operational values, principles and strategies that will inspire, motivate and lead staff in the delivery of services on a day to day basis, consistent with the strategic direction of the Board. This is our commitment to service!

Accountability Statement

We are committed as an organization to do what we need to do differently, individually and collectively to continually earn and sustain the trust and confidence of the plan boards of trustees that we serve and our Corporate Board that represents them.

Specifically, taking ownership of our corporation by being accountable for:

- Achieving results
- Working with our clients to create value and quality service
- Stewardship of corporate and trust resources
- Focusing on our top priorities
- Discipline in our process
- Ensuring individual and team performance

Pension Corporation Executive Team

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EXECUTIVE SUMMARY

The purpose of this plan – the Pension Corporation's first strategic delivery plan – is a simple one. This is our statement of commitment, to the plan Boards of Trustees, to the Corporate Board who represent them and most of all, to the individual members of each plan we serve. This is our commitment to service.

We know that for plan members, retirement represents the culmination of a lifetime of hard work. It is a time when new opportunities can be explored, new dreams realized. To serve active, retiring and retired members well is itself an opportunity – an opportunity to help make their pension experience easy. We continue to take this responsibility seriously. Over the next three years, we intend to make exceptional service the hallmark of everything we do.

To make this happen, we know that we must have a clear vision of what we need to achieve. Every employee of the Pension Corporation, from the CEO to the people who deliver client service on the front line, must understand exactly what we intend to accomplish and how we will reach our objectives. That is why we have prepared this plan. Now, we are reaching out to all our stakeholders, asking them to embrace this vision of a more effective, dynamic, Pension Corporation – which simply serves its clients better.

As you read this plan, we believe you will see evidence of our renewed commitment to service. We have undertaken a careful analysis of the challenges that we are facing and targeted the factors that will be crucial to our success. The Pension Corporation is a much different organization than it was three years ago: we have simplified processes, introduced client surveys and eliminated service backlogs. **It is a good beginning, but it is just that.....the beginning. We plan to achieve much more.**

Our vision is to be an organization of people who care, providing great value and exceptional service to each client. To realize this vision, we must embrace change: positive change which transforms our organization into one which is truly service-based. We have adopted a mission, values, principles and strategies which will support and advance this process of change.

We will begin with our greatest resource, the people who make the Pension Corporation work. Our new corporate values aim to build a culture in which energy, passion and creativity can flourish. Our operating principles define what we mean by good service – value for money, simplicity for clients, dedication to best practices, listening to clients. Our people principles describe the support we will give our staff in striving for excellence.

Above all, this is a practical plan for delivering measurable outcomes to our stakeholders. Using our balanced scorecard we will pursue five strategies to make this a better corporation:

- **foster a client-oriented, service-focused culture**
- **build and sustain relationships of trust and confidence with our clients and our people**
- **deliver high-quality service cost effectively**
- **develop an organization that welcomes change and embraces business improvement and creativity**
- **become an employer of choice that attracts and retains highly capable, motivated, accountable professionals**

For each of these strategies, we have set out practical actions and measures of success to guide us. The goals are clear, the means specific and the measures in place.

Ultimately, though, the whole of this plan can be reduced to one word: "**service**". We are excited by the challenge of making the Pension Corporation a service leader. We know that this strategic delivery plan is just a beginning: the beginning of a comprehensive process of planning and business improvement, which will enhance the retirement experience for all our clients. We know that significant challenges – and a great deal of hard work – are before us. But, with our vision established we are confident of success.

The Pension Corporation Team

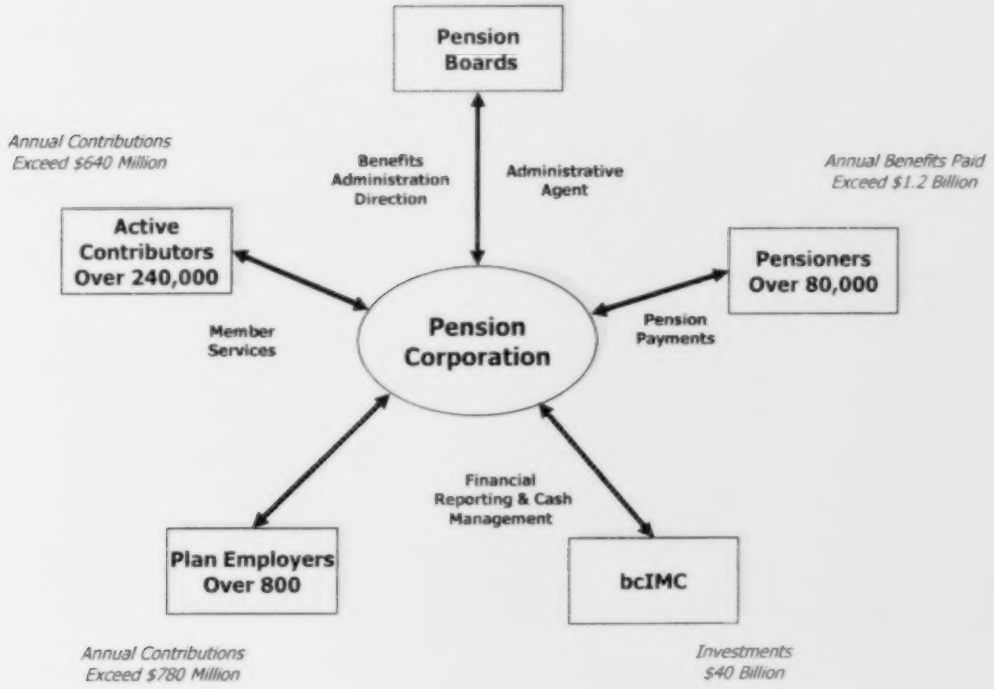
OVERVIEW OF THE CORPORATION

Who We Are

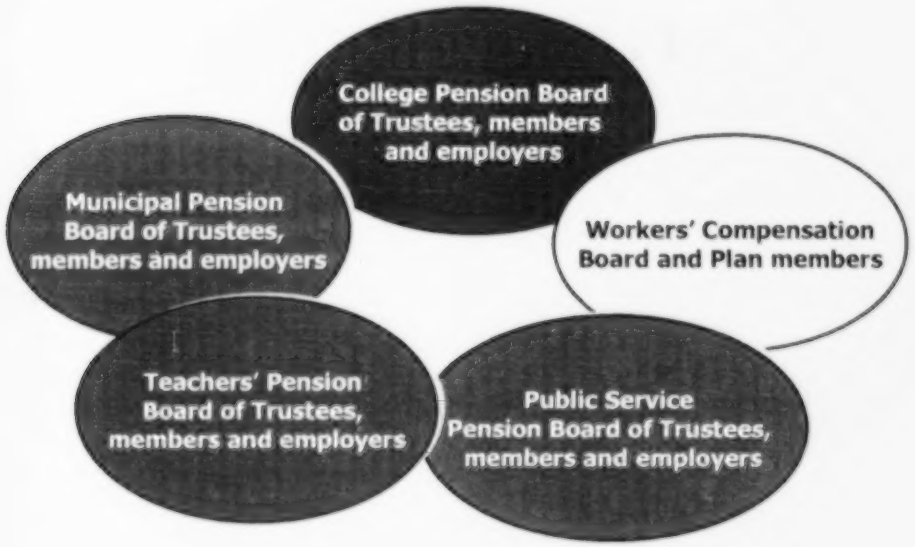
Located in Victoria, British Columbia, the Pension Corporation is one of the largest pension benefit administrators in Canada. Governed by an eight-member board of directors representing the College, Municipal, Public Service and Teachers' Pension Plans, the Corporation provides pension services to BC public sector pension plans.

Our team of over 400 professionals helps to serve the needs of our stakeholders and our clients.

Our Stakeholders



Our Clients



Our Services on Behalf of the Trustees

Our comprehensive pension administration services include:

- Enroll plan members and employers
- Communicate benefit entitlements and plan requirements
- Deliver pre-retirement and self-help information programs
- Collect member data for benefit entitlements
- Collect contribution funding
- Calculate and pay pension benefits, including purchase of service and transfers from other pension plans
- Manage group benefit contracts and programs available to retired members
- Provide policy analysis and communications design services
- Prepare plan financial and regulatory reporting
- Provide support to the boards of trustees

Accomplishments over the last 3 years

We have achieved much.....

- Introduced client and employee surveys to better understand and respond to their needs
- Eliminated service backlogs representing 15,000 transactions
- Doubled production of key transactions
- Reduced member data collection effort by more than 30%
- Simplified processes for member purchases of service and terminations
- Enhanced web-based information and services

We aim to achieve much more.....

Environmental Scan and Key Strategic Issues

Growing demand for services, rapidly changing technologies, fiscal constraints, demographic shifts, regulatory and other complexities impact most local, national and international environments. Like these other organizations, the Pension Corporation can expect to experience service demand pressures for the foreseeable future as a result of a number of key factors, including:

- The percentage of active members at or near eligible retirement age continues to rise significantly
- Member requests for frequent, easy access to simplified and timely information are growing, so too is the use of technology and the demand for greater self-service opportunities
- Various public sector downsizing, restructuring and early retirement incentives are adding to service demands
- Succession planning, continuous training and development requirements are increasing as our experienced workforce retires

Our People Principles

Create a great place to work

- Provide clarity of direction and roles
- Attract, develop and retain highly capable people
- Embrace change, creativity and learning
- Ensure diversity of people and thought
- Foster safety & health in everything that we do
- Build a high performance service culture through human resource development

Our Operating Principles

Principles	How We Will Achieve This...
Maximize value for money	Operate in a cost-effective, 'risk smart', financially prudent manner
Listen to our clients	Solicit input, direction, advice and criticism and act on it
Maintain confidentiality	Protect the privacy of our plan members
Promote simplicity	Provide products and services that are simple and easy to understand
Look to the future	Be dynamic, proactive and focused
Leverage best practices	Work with our clients to continuously improve our service delivery
Keep our promises	Live up to our commitments

EXECUTIVE DIRECTION

"The greatest two single corporate leadership issues we see in organizations today are the lack of trust and poor communication – specifically communication regarding corporate values, vision, mission and critical success factors." *The Banff Centre for Management*

We have developed a delivery vision, mission, values, principles and strategies to guide the delivery of services over the coming years. We hope to build a powerful corporate leadership culture where energy, passion, creativity and intellectual capital can flourish in support of exceptional client service.

Vision

Your Pension Experience

...we make it easy!

Service You Trust

Great Value

People Who Care

PENSION CORPORATION

Mission

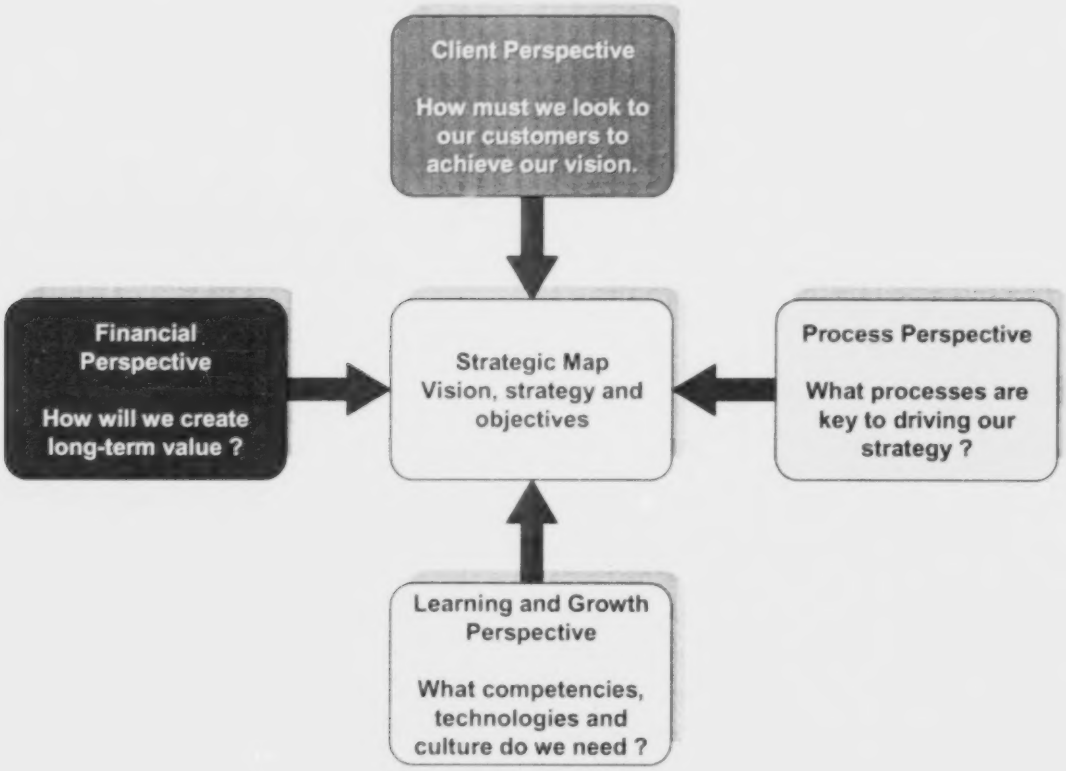
British Columbia Pension Corporation is a non-profit agent of the College, Municipal, Public Service and Teachers' Pension Boards of Trustees and the Workers' Compensation Board of British Columbia providing professional pension administration services to the boards and their members.

Our Values

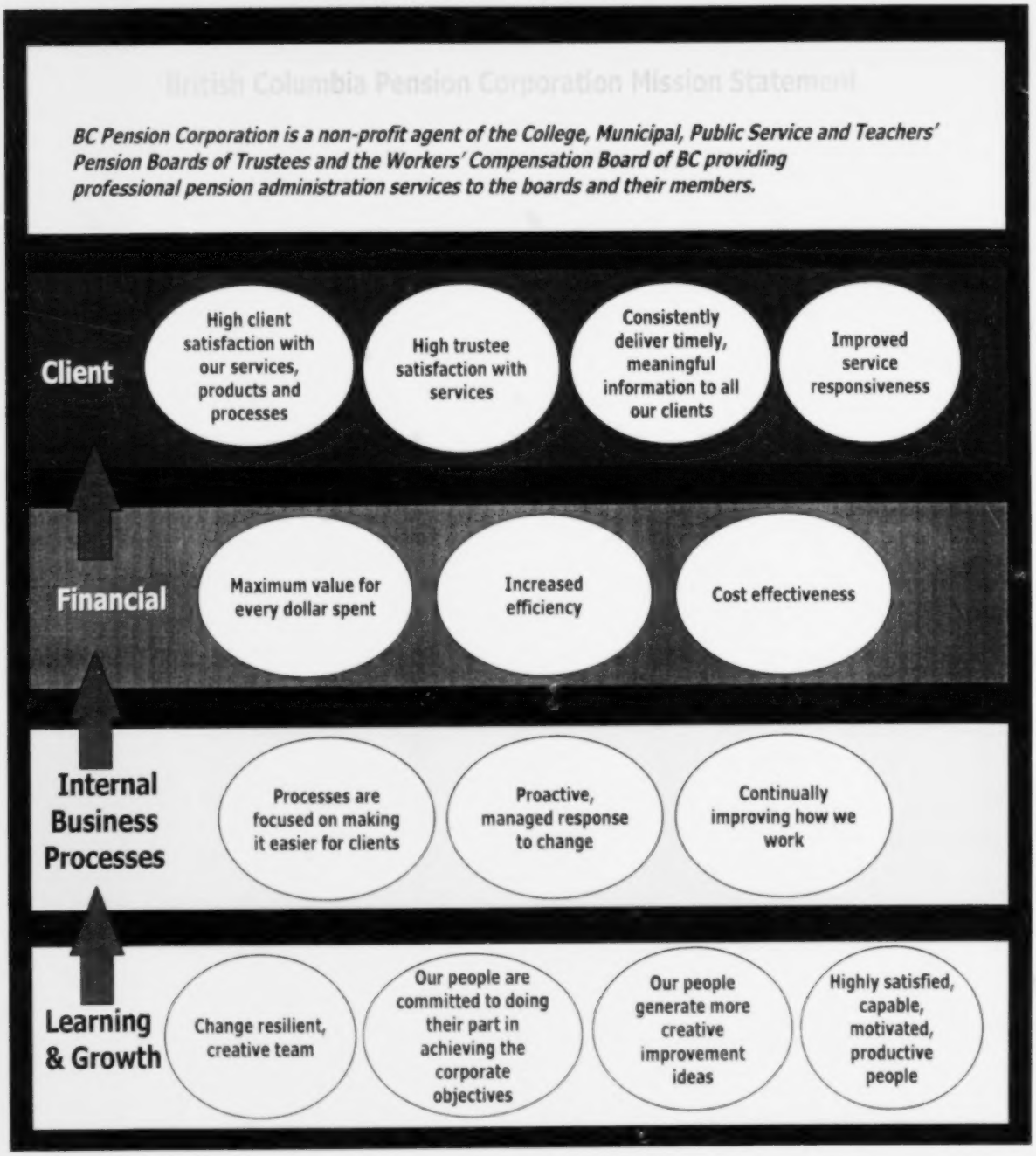
- We are friendly, caring and treat everyone with respect
- We are positive and passionate about serving our clients
- We earn trust by acting with openness, personal accountability and integrity
- We work as a team

BALANCED SCORECARD

Creating our Balanced Scorecard was one of the first steps in designing our Strategic Delivery Plan. Below is our Balanced Scorecard Strategic Map. Its levels correspond to the four perspectives that form the core of achieving our vision, strategy and objectives as well as our Critical Success Factors.



Pension Corporation measures its progress through the Balanced Scorecard which translates its vision into measurable strategic objectives.


British Columbia Pension Corporation Mission Statement
BC Pension Corporation is a non-profit agent of the College, Municipal, Public Service and Teachers' Pension Boards of Trustees and the Workers' Compensation Board of BC providing professional pension administration services to the boards and their members.
Client
High client satisfaction with our services, products and processes
High trustee satisfaction with services
Consistently deliver timely, meaningful information to all our clients
Improved service responsiveness
Financial
Maximum value for every dollar spent
Increased efficiency
Cost effectiveness
Internal Business Processes
Processes are focused on making it easier for clients
Proactive, managed response to change
Continually improving how we work
Learning & Growth
Change resilient, creative team
Our people are committed to doing their part in achieving the corporate objectives
Our people generate more creative improvement ideas
Highly satisfied, capable, motivated, productive people

STRATEGIC OBJECTIVES

To achieve our mandate, provide excellent service and gain our stakeholders' confidence, we have identified the top five strategic priorities:

1. Foster a client-oriented, service-focused culture
2. Build and sustain relationships of trust and confidence with our clients and our people
3. Deliver high quality service cost effectively
4. Develop an organization that welcomes change and embraces business improvement and creativity
5. Become an employer of choice that attracts and retains highly capable, motivated, accountable professionals

We believe these to be the most critical factors to the Pension Corporation's success

1. Creating a sense of urgency within the organization to focus on change
2. Achieving greater emphasis on human resources
3. Reallocating internal resources to implement the critical improvements
4. Finding quick wins to gain stakeholder confidence
5. Communicating vision and strategies and achieving buy-in from our clients and our people
6. Living up to our commitments

STRATEGIES

Objective 1:	**Foster a client-oriented, service-focused culture**

We will:

- Validate client needs for our services, products and processes on a regular basis
- Simplify the client experience
- Develop and implement client service delivery model
- Provide client service training to all staff
- Measure and reward performance based on goals and strategy
- Consistently deliver timely, meaningful information and products, when, where and the way our clients want them

Client refers to Pension boards of trustees, members and employers

Results Expected: High client satisfaction with our services, products and processes

Objective 2:	**Build and sustain relationships of trust and confidence with our client and our people**

We will:

- Be open and honest
- Provide meaningful, accurate information
- Target our products and services to reflect trustee requirements including plan identities and different service levels. Establish a suite of products and understand the associated costs
- Develop and implement an external/internal communication strategy
- Develop a service-based approach to budget development and financial reporting
- Report on an ongoing basis to reaffirm priorities and report on performance
- Be a more visible management team to our people
- Achieve and celebrate quick wins

Results Expected:

- High trustee satisfaction with services
- Our people are committed to doing their part in achieving the corporate objectives
- Consistently deliver timely meaningful information to all our clients

Objective 3:	**Deliver high quality service cost effectively**

We will:

- Ensure high quality of all work
- Build corporate business plans and budgets based on service delivery plans approved by each board of trustees
- Develop and implement a risk management and quality assurance program
- Implement detailed business planning and budget review throughout the corporation
- Critically evaluate end-to-end business processes, make fundamental improvements and realign the organization to them
- Benchmark costs and service response against industry
- Identify and adopt best international practices
- Leverage technology
- Update Information Technology strategic plan

Results Expected:

- Maximum value for every dollar spent
- Reduced costs to the plans – cost savings to cover inflationary pressures plus allow minimum $1 million global cost reductions in each of the 2nd and 3rd years
- Increased efficiency – 5% per year increase in services per Client Services FTE* starting 2005/06
- Improved member service response times

*FTE = full time person equivalent

Objective 4:	**Develop an organization that welcomes change and embraces business improvement and creativity**

We will:

- Create a sense of urgency for making the required changes
- Implement comprehensive business planning
- Create a customized change management philosophy and methodology (including checklists and templates)
- 'Walk the talk' of our values
- Involve our people in both assessing the impact of change and implementing our business chang initiatives
- Align our performance management system, hiring/selection and Human Resources practices wit the strategies

Results Expected:

- Change oriented, creative team
- Processes focused on making it easier for clients
- Proactive, managed response to change
- Our people generate more creative improvement ideas
- Continually improving how we work

Objective 5:	**Become an employer of choice that attracts and retains highly capab motivated, accountable professionals**

We will:

- Engage our people in translating the strategic plan into action at the divisional, departmental and individual level
- Align our recruiting, hiring, promotion and recognition practices to our strategies
- Expand our performance management system so it sets expectations, provides support and hold people accountable
- Create a 'people' continuity plan
- Identify and implement workplace attributes that encourage highly capable people
- Provide information, training and coaching to enable people to do their jobs
- Increase our profile with peer groups
- Create Human Resources strategic plan

Results Expected:

- Highly satisfied, capable, motivated, productive people
- Able to recruit and retain the best people